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AUG 20 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Local Exchange Carriers' Rates,
Terms, and Conditions for
Expanded Interconnection for
Special Access

CC Docket No. 93-162

DIRECT CASE

BELLSOUTH TELECOMMUNICATIONS, INC.
M. Robert Sutherland
Richard M. Sbaratta
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Its Attorneys

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DATE: August 20, 1993

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In the Matter of)
)
Local Exchange Carriers' Rates,) CC Docket No. 93-162
Terms, and Conditions for)
Expanded Interconnection for)
Special Access)

DIRECT CASE

BellSouth Telecommunications, Inc. ("BellSouth") hereby submits its Direct Case in compliance with the Commission's Order Designating Issues for Investigation, released July 23, 1993 (hereinafter "Designation Order").¹ The Designation Order requires BellSouth and other Tier 1 LECs furnishing physical and virtual collocation arrangements to file extensive supporting data with the Commission, addressing almost every aspect of these tariffed offerings. To facilitate data collection and insure the completeness of BellSouth's response, the Direct Case is divided into six (6) exhibits appended to this filing and identified as follows:

Exhibit 1. Exhibit 1 contains the Tariff Review Plan (TRP) for BellSouth's physical and virtual expanded interconnection filings in the format specified by the

¹ In the Matter of Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection for Special Access, CC Docket No. 93-162, DA 93-951, Order Designating Issues for Investigation, released July 23, 1993.

Commission.² Included are disaggregated unit investments and expenses for the most significant recurring rate elements.³ Each rate element is categorized under the appropriate function(s) identified by the Commission.⁴ Where rate elements encompass more than one function, costs of these elements are partitioned among the relevant functions and used to derive illustrative rates. Exhibit 1 further includes a separate identification of each partitioned rate element with calculations demonstrating that the sum of partitioned costs and illustrative rates equals the cost and rate, respectively, of the filed rate element. Rates applicable to physical collocation arrangements and those for virtual collocation are also separately identified.⁵

² Designation Order, App. C.

³ With one exception (Space Construction Charge--Per 100 Square Foot Module) TRP charts are not provided for nonrecurring charges due to the absence of investment-related costs. Such charges are discussed at Exhibit 1 of this Direct Case.

⁴ These are (1) Entrance Facility Installation Function; (2) Entrance Facility Space Function; (3) Common Construction Function; (4) Construction Provisioning Function; (5) Interconnector-Specific Construction Function; (6) Floor Space Function; (7) Termination Equipment Function; (8) Direct Current (DC) Power Installation Function; (9) DC Power Generation Function; (10) Cross-Connection Provisioning Function; (11) Cross-Connection Cable and Cable Support Function; (12) Cross-Connection Equipment Function; (13) Security Installation Function; and (14) Active Security Function. Designation Order at ¶ 15.

⁵ As requested by the Commission, Exhibit 1 is also being provided in LOTUS 1-2-3 computer format.

Exhibit 2. Exhibit 2 provides supporting cost information described in ¶¶ 22(b) and (c) of the Designation Order. The narrative at Exhibit 2 explains derivation of costs and cost factors employed in the development of expanded interconnection rates and describes the method used for calculating investments. A description of labor functions necessary to the provisioning of expanded interconnection service is also provided at Exhibit 2. Data applicable to overhead loadings, including specific overhead factors applied to expanded interconnection service and comparable special access services is likewise found at Exhibit 2.

Exhibit 3. Exhibit 3 contains the price out of 100 DS1 lines, as required by paragraph 22(d) of the Designation Order. Exhibit 3 is also provided in LOTUS 1-2-3 format.

Exhibit 4. Exhibit 4 offers individual discussion and justification of those rate elements designated by the Commission,⁶ including floor space and power charges, cross connection charges and security charges.

Exhibit 5. Exhibit 5 addresses rate structure issues, including bundling of rate elements comprising the floor space rental charge, recovery of common construction costs and assessment of electric power charges.

Exhibit 6. Exhibit 6 provides a discussion of miscellaneous terms and conditions related to the offer of

⁶ Designation Order, ¶¶ 22(e) - (i).

expanded interconnection service, e.g., space size and utilization, termination provisions, insurance requirements and inspections.

The extensive showing provided with these exhibits demonstrates that BellSouth's rates are justified under governing price cap rules and that other terms and conditions are supported by legitimate concerns of administrative efficiency and central office security. Accordingly, the Commission should terminate its investigation of BellSouth's tariffs for the offer of physical and virtual expanded interconnection while requiring no modification of the rates, terms and conditions contained therein.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

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DATE: August 20, 1993

EXHIBIT 1

EXHIBIT 1

Exhibit 1 contains the TRP charts requested in the Designation Order. TRP charts are included in Exhibit 1 for the most significant investment related rate elements for both Expanded Interconnection Service (EIS) and Virtual Expanded Interconnection Service (VEIS). TRP charts are not provided for Optional Back-Up Power-Per Module and Optional DC Power-Per Module. These rate elements are optional and do not relate to the "functions" described for the TRPs.

The TRP format is not applicable for non-investment related rate elements, such as nonrecurring charges for service provisioning. The non-investment related nonrecurring rate elements are addressed in detail in Exhibit 2.

BellSouth has one rate element, Space Construction Charge - per 100 Square Foot Module, that is an investment related nonrecurring charge. A TRP chart is included for this element.

A Partitioned Rate Element List is included in Exhibit 1 which lists each rate element that is partitioned and demonstrates that the sum of the unit costs and rates of the partitioned parts equals the unit cost and rate, respectively, of the unpartitioned rate element. This list is also included on the TRP diskette.

In BellSouth's view, direct costs of a service are the costs that would not be incurred if the service was not

offered. Ad valorem taxes, capital stock taxes and other taxes are directly proportional to the investment associated with providing a new service. If the investments are not incurred, the taxes are not incurred. Therefore, ad valorem taxes, capital stock taxes and other taxes are direct costs.

The directly assigned administrative expense factor (used in EIS and VEIS) was developed to assign these expenses across telephone products and services on the basis of investment. In this manner, such expenses are borne by those who benefit directly from the services for which these expenses are incurred. Again, if the investments are not incurred, the directly assigned administrative expenses are not incurred. Therefore, directly assigned administrative expenses are direct costs.

The TRP chart includes a calculation, "Ratio: Monthly Rate Per Unit/Direct Cost," in which Direct Cost excludes ad valorem taxes, capital stock taxes and other taxes as well as directly assigned administrative expenses. This calculation does not reflect BellSouth's definition of direct cost. The TRP Ratio: "Monthly Rate Per Unit/Unit" Cost is the ratio BellSouth considers to be the ratio of monthly rate to monthly direct cost since the Unit Cost includes ad valorem taxes, capital stock taxes and other taxes and directly assigned administrative expenses. The TRP Ratio: Monthly Rate Per Unit/Direct Cost should be disregarded and the TRP Ratio: Monthly Rate Per Unit/Unit

Cost should be used as the measure of direct cost. In doing so, it states direct cost of expanded interconnection services on the same basis as BellSouth employs in all of its access service filings.

DS1 Cross-Connection Cable and Cable Support Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
CROSS-CONNECT - PER DS1 (PARTITIONED)				
1 TOTAL INVESTMENT: List Plant & Equip.	\$224.99	\$	\$	\$
2 Cross-Connect - 201 - Dep. Life - 10.1	\$220.32	\$	\$	\$
3 Loss - 201 - Dep. Life - Not Applicable	\$0.33	\$	\$	\$
4 Building - 211 - Dep. Life - 44.7	\$4.34	\$	\$	\$
5 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
6 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$24.77	\$	\$	\$
22 COST OF MONEY (Amount)	\$17.48	\$	\$	\$
23 COST OF MONEY (Percentage)	12.15%	\$	\$	\$
24 FEDERAL INCOME TAX	\$6.59	\$	\$	\$
25 STATE AND LOCAL INCOME TAX	\$1.16	\$	\$	\$
26 OTHER TAX: List Taxes	\$2.89	\$	\$	\$
27 List: Property Tax	\$2.54	\$	\$	\$
28 List: Capital Stock Tax	\$0.13	\$	\$	\$
29 List: Other Tax	\$0.02	\$	\$	\$
30 List:	\$	\$	\$	\$
31 List:	\$	\$	\$	\$
32 List:	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$1.80	\$	\$	\$
34 ADMIN AND OTHER EXPENSE: List Expense	\$6.29	\$	\$	\$
35 Admin - XXXX - (Secondary Inv)	\$4.11	\$	\$	\$
36 Admin - 6115	\$0.01	\$	\$	\$
37 Admin - 6122	\$0.03	\$	\$	\$
38 Admin - 6123	\$0.22	\$	\$	\$
39 Admin - 6124	\$0.88	\$	\$	\$
40 Admin - 6530	\$0.00	\$	\$	\$
41 Admin - 6535	\$0.53	\$	\$	\$
42 Admin - 6540	\$0.07	\$	\$	\$
43 Admin - 6611	\$0.00	\$	\$	\$
44 Admin - 6612	\$0.00	\$	\$	\$
45 Admin - 6613	\$0.00	\$	\$	\$
46 Admin - 6623	\$1.67	\$	\$	\$
47 Admin - 6711	\$0.00	\$	\$	\$
48 Admin - 6712	\$0.00	\$	\$	\$
49 Admin - 6721	\$0.38	\$	\$	\$
50 Admin - 6732	\$0.00	\$	\$	\$
51 Admin - 6723	\$0.00	\$	\$	\$
52 Admin - 6724	\$0.38	\$	\$	\$
53 Admin - 6725	\$0.00	\$	\$	\$
54 Admin - 6726	\$0.00	\$	\$	\$
55 Admin - 6727	\$0.00	\$	\$	\$
56 Admin - 6728	\$0.00	\$	\$	\$
57 ANNUAL COST PER UNIT	\$62.78	\$	\$	\$
58 MONTHLY COST PER UNIT	\$5.23	\$	\$	\$
59 MONTHLY RATE PER UNIT	\$8.90	\$	\$	\$
60 UNIT OF MEASUREMENT	DS1 Cross-Connect			
61 RATIO: Rate / Direct Cost	1.60			
62 RATIO: Rate / Unit Cost	1.32			

- Notes:
- (1) Cross-Connection Cable and Cable Support Function includes costs for all cabling and cable support structures between interconnector's space and LEC's MDF.
 - (2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., per ft., per DS1 arrangement, etc.
 - (3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

DS3 Cross-Connection Cable and Cable Support Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
DS3 Cross-Connection - 200,000 (14,577,000)				
1 TOTAL INVESTMENT: List Plant & Equip.	\$2,007.31	\$	\$	\$
2 Crotch Expenses - 201 - Dep. Life - 15.1	\$1,985.66	\$	\$	\$
3 Lead - 201 - Dep. Life - Not Applicable	\$2.91	\$	\$	\$
4 Saddle - 201 - Dep. Life - 46.7	\$38.74	\$	\$	\$
5 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
6 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$220.96	\$	\$	\$
22 COST OF MONEY (\$ Amount)	\$185.93	\$	\$	\$
23 COST OF MONEY (Percentage)	12.15%	%	%	%
24 FEDERAL INCOME TAX	\$58.81	\$	\$	\$
25 STATE AND LOCAL INCOME TAX	\$10.34	\$	\$	\$
26 OTHER TAX: List Taxes	\$24.08	\$	\$	\$
27 List: Property Tax	\$22.68	\$	\$	\$
28 List: Capital Stock Tax	\$1.20	\$	\$	\$
29 List: Other Tax	\$0.20	\$	\$	\$
30 List:	\$	\$	\$	\$
31 List:	\$	\$	\$	\$
32 List:	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$16.05	\$	\$	\$
34 ADMIN AND OTHER EXPENSE: List Expense	\$73.98	\$	\$	\$
35 Admin - XXXX - (Secondary Inv)	\$36.63	\$	\$	\$
36 Admin - 6115	\$0.08	\$	\$	\$
37 Admin - 6122	\$0.30	\$	\$	\$
38 Admin - 6123	\$2.03	\$	\$	\$
39 Admin - 6124	\$7.89	\$	\$	\$
40 Admin - 6532	\$0.00	\$	\$	\$
41 Admin - 6535	\$4.72	\$	\$	\$
42 Admin - 6540	\$0.64	\$	\$	\$
43 Admin - 6611	\$0.00	\$	\$	\$
44 Admin - 6612	\$0.00	\$	\$	\$
45 Admin - 6613	\$0.00	\$	\$	\$
46 Admin - 6623	\$14.53	\$	\$	\$
47 Admin - 6711	\$0.00	\$	\$	\$
48 Admin - 6712	\$0.00	\$	\$	\$
49 Admin - 6721	\$3.38	\$	\$	\$
50 Admin - 6722	\$0.00	\$	\$	\$
51 Admin - 6723	\$0.00	\$	\$	\$
52 Admin - 6724	\$3.37	\$	\$	\$
53 Admin - 6725	\$0.00	\$	\$	\$
54 Admin - 6726	\$0.00	\$	\$	\$
55 Admin - 6727	\$0.00	\$	\$	\$
56 Admin - 6728	\$0.00	\$	\$	\$
57 ANNUAL COST PER UNIT	\$560.15	\$	\$	\$
58 MONTHLY COST PER UNIT	\$46.68	\$	\$	\$
59 MONTHLY RATE PER UNIT	\$60.40	\$	\$	\$
60 UNIT OF MEASUREMENT	DS3 Cross-Connect			
61 RATIO: Rate / Direct Cost	1.87			
62 RATIO: Rate / Unit Cost	1.29			

- Notes:
- (1) Cross-Connection Cable and Cable Support Function includes costs for all cabling and cable support structures between interconnector's space and LEC's MDF.
- (2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., per ft., per DS3 arrangement, etc.
- (3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

DS1 Cross-Connection Equipment Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
CROSS-CONNECT - FOLLOWS PARTITIONING				
1 TOTAL INVESTMENT: List Plant & Equip.	\$51.30 \$	\$	\$	\$
2 Circuit Switches - 232 - Dep. Life - 10.1	\$50.24 \$	\$	\$	\$
3 Load - 231 - Dep. Life - Not Applicable	\$0.07 \$	\$	\$	\$
4 Switches - 231 - Dep. Life - 44.7	\$0.99 \$	\$	\$	\$
5 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
6 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$5.85 \$	\$	\$	\$
22 COST OF MONEY (\$ Amount)	\$3.88 \$	\$	\$	\$
23 COST OF MONEY (Percentage)	12.15%	%	%	%
24 FEDERAL INCOME TAX	\$1.50 \$	\$	\$	\$
25 STATE AND LOCAL INCOME TAX	\$0.26 \$	\$	\$	\$
26 OTHER TAX: List Taxes	\$0.62 \$	\$	\$	\$
27 List: Property Tax	\$0.58 \$	\$	\$	\$
28 List: Capital Stock Tax	\$0.03 \$	\$	\$	\$
29 List: Other Tax	\$0.01 \$	\$	\$	\$
30 List:	\$	\$	\$	\$
31 List:	\$	\$	\$	\$
32 List:	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$0.41 \$	\$	\$	\$
34 ADMIN AND OTHER EXPENSE: List Expense	\$1.90 \$	\$	\$	\$
35 Admin - XXXX - (Secondary Inv)	\$0.34 \$	\$	\$	\$
36 Admin - 6115	\$0.00 \$	\$	\$	\$
37 Admin - 6122	\$0.01 \$	\$	\$	\$
38 Admin - 6123	\$0.05 \$	\$	\$	\$
39 Admin - 6124	\$0.20 \$	\$	\$	\$
40 Admin - 6532	\$0.00 \$	\$	\$	\$
41 Admin - 6535	\$0.12 \$	\$	\$	\$
42 Admin - 6540	\$0.02 \$	\$	\$	\$
43 Admin - 6611	\$0.00 \$	\$	\$	\$
44 Admin - 6612	\$0.00 \$	\$	\$	\$
45 Admin - 6613	\$0.00 \$	\$	\$	\$
46 Admin - 6623	\$0.38 \$	\$	\$	\$
47 Admin - 6711	\$0.00 \$	\$	\$	\$
48 Admin - 6712	\$0.00 \$	\$	\$	\$
49 Admin - 6721	\$0.08 \$	\$	\$	\$
50 Admin - 6722	\$0.00 \$	\$	\$	\$
51 Admin - 6723	\$0.00 \$	\$	\$	\$
52 Admin - 6724	\$0.08 \$	\$	\$	\$
53 Admin - 6725	\$0.00 \$	\$	\$	\$
54 Admin - 6726	\$0.00 \$	\$	\$	\$
55 Admin - 6727	\$0.00 \$	\$	\$	\$
56 Admin - 6728	\$0.00 \$	\$	\$	\$
57 ANNUAL COST PER UNIT	\$14.32 \$	\$	\$	\$
58 MONTHLY COST PER UNIT	\$1.19 \$	\$	\$	\$
59 MONTHLY RATE PER UNIT	\$1.60 \$	\$	\$	\$
60 UNIT OF MEASUREMENT	DS1 Cross-Connect			
61 RATIO: Rate / Direct Cost	1.63			
62 RATIO: Rate / Unit Cost	1.34			

Notes:

(1) The Cross-Connection Equipment Function includes costs for all equipment between the interconnectors space and the LEC's MDF, e.g., repeaters. Excluded is cable, cable support, and all termination equipment.

(2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., per POT frame, per DS1 arrangement, etc.

(3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

DS3 Cross-Connection Equipment Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
DS3 Cross-Connect - per DS3 / per DS1/DS0				
1 TOTAL INVESTMENT: List Plant & Equip.	\$414.20	\$	\$	\$
2 Check Repeater - 3201 - Dep. Life - 14.1	\$405.61	\$	\$	\$
3 List - 3201 - Dep. Life - 14.1	\$0.60	\$	\$	\$
4 Insulator - 3101 - Dep. Life - 14.1	\$7.99	\$	\$	\$
5 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
6 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$45.59	\$	\$	\$
22 COST OF MONEY (\$ Amount)	\$32.18	\$	\$	\$
23 COST OF MONEY (Percentage)	12.15%	%	%	%
24 FEDERAL INCOME TAX	\$12.14	\$	\$	\$
25 STATE AND LOCAL INCOME TAX	\$2.13	\$	\$	\$
26 OTHER TAX: List Taxes	\$4.97	\$	\$	\$
27 List: Property Tax	\$4.68	\$	\$	\$
28 List: Capital Stock Tax	\$0.25	\$	\$	\$
29 List: Other Tax	\$0.04	\$	\$	\$
30 List	\$	\$	\$	\$
31 List	\$	\$	\$	\$
32 List	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$3.31	\$	\$	\$
34 ADMIN AND OTHER EXPENSE: List Expense	\$15.27	\$	\$	\$
35 Admin - XXXX - (Secondary Inv)	\$7.56	\$	\$	\$
36 Admin - 6115	\$0.02	\$	\$	\$
37 Admin - 6122	\$0.06	\$	\$	\$
38 Admin - 6123	\$0.42	\$	\$	\$
39 Admin - 6124	\$1.63	\$	\$	\$
40 Admin - 6532	\$0.00	\$	\$	\$
41 Admin - 6535	\$0.97	\$	\$	\$
42 Admin - 6540	\$0.13	\$	\$	\$
43 Admin - 6611	\$0.00	\$	\$	\$
44 Admin - 6612	\$0.00	\$	\$	\$
45 Admin - 6613	\$0.00	\$	\$	\$
46 Admin - 6623	\$3.08	\$	\$	\$
47 Admin - 6711	\$0.00	\$	\$	\$
48 Admin - 6712	\$0.00	\$	\$	\$
49 Admin - 6721	\$0.70	\$	\$	\$
50 Admin - 6722	\$0.00	\$	\$	\$
51 Admin - 6723	\$0.00	\$	\$	\$
52 Admin - 6724	\$0.70	\$	\$	\$
53 Admin - 6725	\$0.00	\$	\$	\$
54 Admin - 6726	\$0.00	\$	\$	\$
55 Admin - 6727	\$0.00	\$	\$	\$
56 Admin - 6728	\$0.00	\$	\$	\$
57 ANNUAL COST PER UNIT	\$115.59	\$	\$	\$
58 MONTHLY COST PER UNIT	\$9.63	\$	\$	\$
59 MONTHLY RATE PER UNIT	\$12.50	\$	\$	\$
60 UNIT OF MEASUREMENT	DS3 Cross-Connect			
61 RATIO: Rate / Direct Cost	1.57			
62 RATIO: Rate / Unit Cost	1.30			

Notes:

(1) The Cross-Connection Equipment Function includes costs for all equipment between the interconnectors space and the LEC's MDF, e.g., repeaters. Excluded is cable, cable support, and all termination equipment.

(2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., per POT frame, per DS1 arrangement, etc.

(3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

Termination Equipment Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
	DS100 - Connect - Pwr. Ckt. (144.77754882)	DS100 - Connect - Pwr. Ckt. (144.77754882)		
1 TOTAL INVESTMENT: List Plant & Equip.	\$116.03	\$102.88	\$	\$
2 Direct Expenses - 2001 - Dep. Life - 16.1	\$15.70	\$100.84	\$	\$
3 Land - 2011 - Dep. Life - Not applicable	\$0.02	\$0.15	\$	\$
4 Building - 2011 - Dep. Life - 40.1	\$0.31	\$1.88	\$	\$
5 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
6 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$1.76	\$11.34	\$	\$
22 COST OF MONEY (Amount)	\$1.25	\$8.00	\$	\$
23 COST OF MONEY (Percentage)	12.23%	12.15%	\$	\$
24 FEDERAL INCOME TAX	\$0.47	\$3.02	\$	\$
25 STATE AND LOCAL INCOME TAX	\$0.08	\$0.53	\$	\$
26 OTHER TAX: List Taxes	\$0.19	\$1.23	\$	\$
27 List: Property Tax	\$0.18	\$1.18	\$	\$
28 List: Capital Stock Tax	\$0.01	\$0.06	\$	\$
29 List: Other Tax	\$0.00	\$0.01	\$	\$
30 List	\$	\$	\$	\$
31 List	\$	\$	\$	\$
32 List	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$0.13	\$0.82	\$	\$
34 ADMIN AND OTHER EXPENSE: List Expense	\$0.60	\$3.78	\$	\$
35 Admin - XXXX - (Secondary Inv)	\$0.29	\$1.88	\$	\$
36 Admin - 6115	\$0.00	\$0.00	\$	\$
37 Admin - 6122	\$0.00	\$0.02	\$	\$
38 Admin - 6123	\$0.02	\$0.10	\$	\$
39 Admin - 6124	\$0.06	\$0.40	\$	\$
40 Admin - 6532	\$0.00	\$0.00	\$	\$
41 Admin - 6535	\$0.04	\$0.24	\$	\$
42 Admin - 6540	\$0.01	\$0.03	\$	\$
43 Admin - 6611	\$0.00	\$0.00	\$	\$
44 Admin - 6612	\$0.00	\$0.00	\$	\$
45 Admin - 6613	\$0.00	\$0.00	\$	\$
46 Admin - 6623	\$0.12	\$0.77	\$	\$
47 Admin - 6711	\$0.00	\$0.00	\$	\$
48 Admin - 6712	\$0.00	\$0.00	\$	\$
49 Admin - 6721	\$0.03	\$0.17	\$	\$
50 Admin - 6722	\$0.00	\$0.00	\$	\$
51 Admin - 6723	\$0.00	\$0.00	\$	\$
52 Admin - 6724	\$0.02	\$0.17	\$	\$
53 Admin - 6725	\$0.00	\$0.00	\$	\$
54 Admin - 6726	\$0.00	\$0.00	\$	\$
55 Admin - 6727	\$0.00	\$0.00	\$	\$
56 Admin - 6728	\$0.00	\$0.00	\$	\$
57 ANNUAL COST PER UNIT	\$4.48	\$28.72	\$	\$
58 MONTHLY COST PER UNIT	\$0.37	\$2.39	\$	\$
59 MONTHLY RATE PER UNIT	\$0.50	\$3.10	\$	\$
60 UNIT OF MEASUREMENT	DS1 Cross - Connect	DS3 Cross - Connect		
61 RATIO: Rate / Direct Cost	1.63	1.57		
62 RATIO: Rate / Unit Cost	1.34	1.30		

- Notes:
- (1) The Termination Equipment Function includes all equipment in or adjacent to the interconnector's space that is used for cross-connection functions, except the cross-connection itself, e.g., POT frames, DSX boards, as well as equipment bays and other equipment installed by the LEC in the interconnector's space.
 - (2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., per POT frame, per 100 square foot arrangement.
 - (3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

Construction Provisioning Function

Nonrecurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
	BELL SOUTH CONSTRUCTION SERVICES			
	P.O. BOX 20, FT. WORTH, TEXAS 76101-0020			
1	TOTAL INVESTMENT: List Plant & Equip.	\$9,311.74	\$	\$
2	Rolling - 3121 - Dep. Life - 44.7	\$9,311.74	\$	\$
3	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
4	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
5	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
6	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
7	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
8	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
9	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
10	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
11	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
12	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
13	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
14	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
15	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
16	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
17	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
18	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
19	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
20	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
21	DEPRECIATION EXPENSE	\$241.17	\$	\$
22	COST OF MONEY (\$ Amount)	\$1,064.33	\$	\$
23	COST OF MONEY (Percentage)	13.93%	%	%
24	FEDERAL INCOME TAX	\$403.20	\$	\$
25	STATE AND LOCAL INCOME TAX	\$70.77	\$	\$
26	OTHER TAX: List Taxes	\$	\$	\$
27	List: Property Tax	\$	\$	\$
28	List:	\$	\$	\$
29	List:	\$	\$	\$
30	List:	\$	\$	\$
31	List:	\$	\$	\$
32	List:	\$	\$	\$
33	MAINTENANCE EXPENSE	\$	\$	\$
34	ADMIN and OTHER EXPENSE: List Expense	\$	\$	\$
35	List Name - Pl. 32 Acct No.	\$	\$	\$
36	List Name - Pl. 32 Acct No.	\$	\$	\$
37	List Name - Pl. 32 Acct No.	\$	\$	\$
38	List Name - Pl. 32 Acct No.	\$	\$	\$
39	List Name - Pl. 32 Acct No.	\$	\$	\$
40	List Name - Pl. 32 Acct No.	\$	\$	\$
41	List Name - Pl. 32 Acct No.	\$	\$	\$
42	List Name - Pl. 32 Acct No.	\$	\$	\$
43	List Name - Pl. 32 Acct No.	\$	\$	\$
44	List Name - Pl. 32 Acct No.	\$	\$	\$
45	List Name - Pl. 32 Acct No.	\$	\$	\$
46	List Name - Pl. 32 Acct No.	\$	\$	\$
47	List Name - Pl. 32 Acct No.	\$	\$	\$
48	List Name - Pl. 32 Acct No.	\$	\$	\$
49	List Name - Pl. 32 Acct No.	\$	\$	\$
50	List Name - Pl. 32 Acct No.	\$	\$	\$
51	ANNUAL COST PER UNIT	\$1,779.47	\$	\$
52	MONTHLY COST PER UNIT	\$148.29	\$	\$
53	MONTHLY RATE PER UNIT	\$149.00	\$	\$
54	UNIT OF MEASUREMENT	Per 100 Square Foot Module		
55	RATIO: Monthly Rate Per Unit / Direct Cost	1.00		
56	RATIO: Monthly Rate Per Unit / Unit Cost	1.00		

Notes:

- (1) The Construction Provisioning Function includes the costs of ordering and provisioning the interconnector's space and cage, i.e. service order processing, pre-construction survey, design and engineering, space preparation, and construction management and coordination.
- (2) Row 54: Unit of measurement is the unit on which the rate is being assessed, e.g., per collocation request, per 100 square foot tenancy, per additional 100 square foot tenancy, etc.
- (3) BellSouth disagrees with the calculation for Row 55. Row 55 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 25 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 56 is the actual Ratio: Rate/Direct Cost.

Interconnector—Specific Construction Function

Nonrecurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
	SPECIAL CONSTRUCTION CHARGE			
	PER 100 SQ. FT. MOD. / PER 1000 LBS.			
1 TOTAL INVESTMENT: List Plant & Equip.	\$14,380.00	\$	\$	\$
2 Building - 2102 - Dep. Life - 44.7	\$14,380.00	\$	\$	\$
3 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
4 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
5 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
6 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$372.44	\$	\$	\$
22 COST OF MONEY (\$ Amount)	\$1,643.63	\$	\$	\$
23 COST OF MONEY (Percentage)	13.83%	%	%	%
24 FEDERAL INCOME TAX	\$602.65	\$	\$	\$
25 STATE AND LOCAL INCOME TAX	\$109.29	\$	\$	\$
26 OTHER TAX: List Taxes	\$	\$	\$	\$
27 List: Property Tax	\$	\$	\$	\$
28 List:	\$	\$	\$	\$
29 List:	\$	\$	\$	\$
30 List:	\$	\$	\$	\$
31 List:	\$	\$	\$	\$
32 List:	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$	\$	\$	\$
34 ADMIN and OTHER EXPENSE: List Expense	\$	\$	\$	\$
35 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
36 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
37 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
38 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
39 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
40 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
41 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
42 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
43 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
44 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
45 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
46 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
47 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
48 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
49 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
50 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
51 ANNUAL COST PER UNIT	\$2,748.01	\$	\$	\$
52 MONTHLY COST PER UNIT	\$229.00	\$	\$	\$
53 MONTHLY RATE PER UNIT	\$229.00	\$	\$	\$
54 UNIT OF MEASUREMENT	Per 100 Square Foot Module			
55 RATIO: Monthly Rate Per Unit / Direct Cost	1.00			
56 RATIO: Monthly Rate Per Unit / Unit Cost	1.00			

Notes:

- (1) The Interconnector—Specific Construction Function includes the costs for interconnector—specific space construction, e.g., cage construction, cage lighting, and AC power, etc. Costs relating to DC power installation, security installation, termination equipment, and common construction must be excluded.
- (2) Row 54: Unit of measurement is the unit on which the rate is being assessed, e.g., per collocation request, per 100 square foot tenancy, per additional 100 square foot tenancy, per additional 100 square foot tenancy, etc.
- (3) BellSouth disagrees with the calculation for Row 55. Row 55 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 56 is the actual Ratio: Rate/Direct Cost.

DC Power Generation Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
	PER 100 SQ FT. MOD. / PER TENANT	PER AMPERE - TOTAL		
1 TOTAL INVESTMENT: List Plant & Equip.	\$5,342.61	\$126.87	\$	\$
2 Control Office Equipment - 2011 - Dep. Life - 15.5	\$3,105.50	\$62.12	\$	\$
3 Control Office Equipment - 2011 - Dep. Life - 15.5	\$3,105.50	\$62.12	\$	\$
4 Land - 2011 - Dep. Life - Not Applicable	\$0.18	\$0.18	\$	\$
5 Building - 2011 - Dep. Life - 44.7	\$122.42	\$2.45	\$	\$
6 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$578.62	\$11.57	\$	\$
22 COST OF MONEY (\$ Amount)	\$495.51	\$9.91	\$	\$
23 COST OF MONEY (Percentage)	12.08%	12.08%	%	%
24 FEDERAL INCOME TAX	\$186.46	\$3.73	\$	\$
25 STATE AND LOCAL INCOME TAX	\$33.99	\$0.68	\$	\$
26 OTHER TAX: List Taxes	\$76.11	\$1.52	\$	\$
27 List: Property Tax	\$71.67	\$1.43	\$	\$
28 List: Capital Stock Tax	\$3.81	\$0.08	\$	\$
29 List: Other Tax	\$0.63	\$0.01	\$	\$
30 List	\$	\$	\$	\$
31 List	\$	\$	\$	\$
32 List	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$186.41	\$3.73	\$	\$
34 ADMIN and OTHER EXPENSE: List Expense	\$233.80	\$4.68	\$	\$
35 Admin - XXXX - (Secondary Inv)	\$115.75	\$2.32	\$	\$
36 Admin - 6115	\$0.25	\$0.01	\$	\$
37 Admin - 6122	\$0.95	\$0.02	\$	\$
38 Admin - 6123	\$6.41	\$0.13	\$	\$
39 Admin - 6124	\$24.93	\$0.50	\$	\$
40 Admin - 6532	\$0.00	\$0.00	\$	\$
41 Admin - 6535	\$14.31	\$0.29	\$	\$
42 Admin - 6540	\$2.03	\$0.04	\$	\$
43 Admin - 6611	\$0.00	\$0.00	\$	\$
44 Admin - 6612	\$0.00	\$0.00	\$	\$
45 Admin - 6613	\$0.00	\$0.00	\$	\$
46 Admin - 6623	\$47.19	\$0.94	\$	\$
47 Admin - 6711	\$0.00	\$0.00	\$	\$
48 Admin - 6712	\$0.00	\$0.00	\$	\$
49 Admin - 6721	\$10.72	\$0.21	\$	\$
50 Admin - 6722	\$0.00	\$0.00	\$	\$
51 Admin - 6723	\$0.00	\$0.00	\$	\$
52 Admin - 6724	\$10.66	\$0.21	\$	\$
53 Admin - 6725	\$0.00	\$0.00	\$	\$
54 Admin - 6726	\$0.00	\$0.00	\$	\$
55 Admin - 6727	\$0.00	\$0.00	\$	\$
56 Admin - 6728	\$0.00	\$0.00	\$	\$
57 ANNUAL COST PER UNIT	\$1,769.30	\$35.39	\$	\$
58 MONTHLY COST PER UNIT	\$149.16	\$2.96	\$	\$
59 MONTHLY RATE PER UNIT	\$196.90	\$4.00	\$	\$
60 UNIT OF MEASUREMENT	Per 100 Square Foot Module	Per Ampere		
61 RATIO: Rate / Direct Cost	1.81	1.62		
62 RATIO: Rate / Unit Cost	1.33	1.34		

Notes:

(1) The DC Power Generation Function includes the costs of providing DC power, excluding DC power installation costs.

(2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., per fuse amp, per 100 square foot tenancy, etc.

(3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

Floor Space Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
	INTERCONNECTOR FLOOR SPACE	INTERCONNECTOR FLOOR SPACE		
	PER 100 SQ. FT. MOD. (FAS 2750000)	PER SQ. FT. - MODUL		
1	TOTAL INVESTMENT: List Plant & Equip.	\$43,737.74	\$136.66	\$
2	Land - 2211 - Dep. Life - Not Applicable	\$275.00	\$2.75	\$
3	Building - 2121 - Dep. Life - 44.7	\$43,462.74	\$133.91	\$
4	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
5	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
6	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
7	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
8	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
9	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
10	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
11	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
12	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
13	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
14	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
15	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
16	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
17	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
18	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
19	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
20	List: Name - PL 32 Acct No. - Dep. Life	\$	\$	\$
21	DEPRECIATION EXPENSE	\$188.32	\$3.47	\$
22	COST OF MONEY (\$ Amount)	\$863.83	\$15.63	\$
23	COST OF MONEY (Percentage)	13.67%	13.89%	%
24	FEDERAL INCOME TAX	\$327.40	\$5.92	\$
25	STATE AND LOCAL INCOME TAX	\$57.49	\$1.04	\$
26	OTHER TAX: List Taxes	\$524.85	\$1.63	\$
27	List: Property Tax	\$494.24	\$1.54	\$
28	List: Capital Stock Tax	\$26.24	\$0.08	\$
29	List: Other Tax	\$4.37	\$0.01	\$
30	List:	\$	\$	\$
31	List:	\$	\$	\$
32	List:	\$	\$	\$
33	MAINTENANCE EXPENSE	\$139.08	\$0.43	\$
34	ADMIN and OTHER EXPENSE: List Expense	\$1,612.18	\$5.04	\$
35	Admin - XXXX - (Secondary Inv)	\$798.21	\$2.49	\$
36	Admin - 6115	\$1.75	\$0.01	\$
37	Admin - 6122	\$6.56	\$0.02	\$
38	Admin - 6123	\$44.18	\$0.14	\$
39	Admin - 6124	\$171.89	\$0.54	\$
40	Admin - 6532	\$0.00	\$0.00	\$
41	Admin - 6535	\$102.78	\$0.32	\$
42	Admin - 6540	\$14.00	\$0.04	\$
43	Admin - 6611	\$0.00	\$0.00	\$
44	Admin - 6612	\$0.00	\$0.00	\$
45	Admin - 6613	\$0.00	\$0.00	\$
46	Admin - 6623	\$325.41	\$1.02	\$
47	Admin - 6711	\$0.00	\$0.00	\$
48	Admin - 6712	\$0.00	\$0.00	\$
49	Admin - 6721	\$73.92	\$0.23	\$
50	Admin - 6722	\$0.00	\$0.00	\$
51	Admin - 6723	\$0.00	\$0.00	\$
52	Admin - 6724	\$73.48	\$0.23	\$
53	Admin - 6725	\$0.00	\$0.00	\$
54	Admin - 6726	\$0.00	\$0.00	\$
55	Admin - 6727	\$0.00	\$0.00	\$
56	Admin - 6728	\$0.00	\$0.00	\$
57	ANNUAL COST PER UNIT	\$3,713.15	\$33.16	\$
58	MONTHLY COST PER UNIT	\$309.43	\$2.76	\$
59	MONTHLY RATE PER UNIT	\$524.50	\$5.00	\$
60	UNIT OF MEASUREMENT	Per 100 Square Foot Module	Per Square Foot	
61	RATIO: Rate / Direct Cost	4.75	2.27	
62	RATIO: Rate / Unit Cost	2.02	1.81	

Notes:

(1) The Floor Space Function includes costs for occupancy of central office floor space by the interconnector, including ancillary and housekeeping functions.

All costs not directly associated with occupancy, e.g., DC power equipment and termination equipment, must be excluded.

(2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., per collocation request, per 100 square foot tenancy, per additional 100 square foot tenancy, per additional 100 square foot tenancy, etc.

(3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

Entrance Facility Space Function

Recurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
	INTERCONNECTION FLOOR SPACE			
	PER 100 SQ. FT. AREA (100/1775960)			
	Cable Support Structure - 1000000			
1	TOTAL INVESTMENT: List Plant & Equip.	\$3,574.17	\$480.57	\$
2	Cable Equipment - 3232 - Dep. Life - 30.1	\$3,500.00	\$480.38	\$
3	Lead - 2011 - Dep. Life - Not Applicable	\$5.18	\$0.71	\$
4	Welding - 2011 - Dep. Life - 11.1	\$68.99	\$9.47	\$
5	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
6	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
7	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
8	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
9	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
10	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
11	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
12	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
13	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
14	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
15	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
16	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
17	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
18	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
19	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
20	List Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$
21	DEPRECIATION EXPENSE	\$383.44	\$54.00	\$
22	COST OF MONEY (\$ Amount)	\$277.65	\$38.11	\$
23	COST OF MONEY (Percentage)	12.15%	12.15%	%
24	FEDERAL INCOME TAX	\$104.72	\$14.37	\$
25	STATE AND LOCAL INCOME TAX	\$18.42	\$2.53	\$
26	OTHER TAX: List Taxes	\$42.89	\$5.88	\$
27	List: Property Tax	\$40.38	\$5.54	\$
28	List: Capital Stock Tax	\$2.14	\$0.29	\$
29	List: Other Tax	\$0.36	\$0.03	\$
30	List	\$	\$	\$
31	List	\$	\$	\$
32	List	\$	\$	\$
33	MAINTENANCE EXPENSE	\$26.57	\$3.92	\$
34	ADMIN and OTHER EXPENSE: List Expense	\$131.74	\$18.08	\$
35	Admin - XXXX - (Secondary Inv)	\$85.23	\$8.95	\$
36	Admin - 6115	\$0.14	\$0.02	\$
37	Admin - 6122	\$0.54	\$0.07	\$
38	Admin - 6123	\$3.61	\$0.50	\$
39	Admin - 6124	\$14.05	\$1.93	\$
40	Admin - 6532	\$0.00	\$0.00	\$
41	Admin - 6535	\$0.40	\$0.15	\$
42	Admin - 6540	\$1.14	\$0.18	\$
43	Admin - 6611	\$0.00	\$0.00	\$
44	Admin - 6612	\$0.00	\$0.00	\$
45	Admin - 6613	\$0.00	\$0.00	\$
46	Admin - 6623	\$26.59	\$3.65	\$
47	Admin - 6711	\$0.00	\$0.00	\$
48	Admin - 6712	\$0.00	\$0.00	\$
49	Admin - 6721	\$4.04	\$0.63	\$
50	Admin - 6722	\$0.00	\$0.00	\$
51	Admin - 6723	\$0.00	\$0.00	\$
52	Admin - 6724	\$0.00	\$0.00	\$
53	Admin - 6725	\$0.00	\$0.00	\$
54	Admin - 6726	\$0.00	\$0.00	\$
55	Admin - 6727	\$0.00	\$0.00	\$
56	Admin - 6728	\$0.00	\$0.00	\$
57	ANNUAL COST PER UNIT	\$997.43	\$136.89	\$
58	MONTHLY COST PER UNIT	\$83.12	\$11.41	\$
59	MONTHLY RATE PER UNIT	\$107.60	\$15.00	\$
60	UNIT OF MEASUREMENT	Per 100 Square Foot Module	Per Cable Support Structure	
61	RATIO: Rate / Direct Cost	1.57	1.58	
62	RATIO: Rate / Unit Cost	1.29	1.31	

Notes:

- (1) The Entrance Facility Space Function includes the costs of conduit, vault, riser and similar space used to support an interconnection arrangement from the manhole to the interconnectors's space.
- (2) Row 60: Unit of measurement is the unit on which the rate is being assessed, e.g., cable space per foot, entrance conduit per interduct foot, etc.
- (3) BellSouth disagrees with the calculation for Row 61. Row 61 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 62 is the actual Ratio: Rate/Direct Cost.

Security Installation Function

Nonrecurring Rate

	Rate Element Name #1	Rate Element Name #2	Rate Element Name #3	Rate Element Name #4
	WHOLE CONSTRUCTION CHARGE			
	PER 100 SQ. FT. AREA / TENANCY			
1 TOTAL INVESTMENT: List Plant & Equip.	\$12,500.00	\$	\$	\$
2 Building - 2121 - Dep. Life - 44.7	\$12,500.00	\$	\$	\$
3 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
4 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
5 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
6 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
7 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
8 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
9 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
10 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
11 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
12 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
13 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
14 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
15 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
16 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
17 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
18 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
19 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
20 List: Name - Pl. 32 Acct No. - Dep. Life	\$	\$	\$	\$
21 DEPRECIATION EXPENSE	\$323.75	\$	\$	\$
22 COST OF MONEY (\$ Amount)	\$1,428.75	\$	\$	\$
23 COST OF MONEY (Percentage)	13.83%	%	%	%
24 FEDERAL INCOME TAX	\$541.25	\$	\$	\$
25 STATE AND LOCAL INCOME TAX	\$95.00	\$	\$	\$
26 OTHER TAX: List Taxes	\$	\$	\$	\$
27 List: Property Tax	\$	\$	\$	\$
28 List:	\$	\$	\$	\$
29 List:	\$	\$	\$	\$
30 List:	\$	\$	\$	\$
31 List:	\$	\$	\$	\$
32 List:	\$	\$	\$	\$
33 MAINTENANCE EXPENSE	\$	\$	\$	\$
34 ADMIN and OTHER EXPENSE: List Expense	\$	\$	\$	\$
35 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
36 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
37 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
38 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
39 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
40 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
41 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
42 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
43 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
44 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
45 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
46 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
47 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
48 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
49 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
50 List: Name - Pl. 32 Acct No.	\$	\$	\$	\$
51 ANNUAL COST PER UNIT	\$2,388.75	\$	\$	\$
52 MONTHLY COST PER UNIT	\$199.06	\$	\$	\$
53 MONTHLY RATE PER UNIT	\$200.00	\$	\$	\$
54 UNIT OF MEASUREMENT	Per 100 Square Foot Module			
55 RATIO: Monthly Rate Per Unit / Direct Cost	1.00			
56 RATIO: Monthly Rate Per Unit / Unit Cost	1.00			

Notes:

- (1) The Security Installation Function includes costs for all construction associated with additional security needs attributed to collocation.
- (2) Row 54: Unit of measurement is the unit on which the rate is being assessed, e.g., per collocation request, per 100 square foot tenancy, etc. 100 square foot tenancy, per additional 100 square foot tenancy, etc.
- (3) BellSouth disagrees with the calculation for Row 55. Row 55 is not the Ratio: Rate/Direct Cost because direct cost also includes Row 26 and Row 34, directly assigned property, capital stock and other taxes and directly assigned administrative expenses respectively. Row 56 is the actual Ratio: Rate/Direct Cost.

PARTITIONED RATE ELEMENT LIST

Investment Related Rate Element (a)	Investment (b)	Fully Assigned Cost (c)	Rate (d)	Directly Assigned Cost (e)
E.I.S.				
Space Const. Charge				
– per 100 Sq. Ft. Module	\$36,191.74	\$51,652.87	\$51,660.00	\$51,652.87
– <i>Const. Provisioning</i>	\$9,311.74	\$148.29	\$149.00	\$148.29
– <i>Inter. Specific Const.</i>	\$14,380.00	\$229.00	\$229.00	\$229.00
– <i>Security Installation</i>	\$12,500.00	\$199.06	\$200.00	\$199.06
– <i>Partition Total</i>	\$36,191.74	\$576.35	\$578.00	\$576.35
E.I.S.				
Interconnection Floor Space	\$53,654.52	\$930.72	\$931.00	\$541.88
– <i>DC Power Generation</i>	\$6,342.61	\$198.76	\$198.90	\$149.16
– <i>Floor Space</i>	\$43,737.74	\$624.38	\$624.50	\$309.43
– <i>Entrance Facility Space</i>	\$3,574.17	\$107.50	\$107.60	\$83.12
– <i>Partition Total</i>	\$53,654.52	\$930.64	\$931.00	\$541.71
E.I.S./V.E.I.S.				
Cross–Connect per DS1	\$292.32	\$8.79	\$9.00	\$6.80
– <i>DS1 Cross–Connection Cable & Cable Support</i>	\$224.99	\$6.77	\$6.90	\$5.23
– <i>Termination Equipment</i>	\$16.03	\$0.48	\$0.50	\$0.37
– <i>DS1 Cross–Connection Equipment</i>	\$51.30	\$1.54	\$1.60	\$1.19
– <i>Partition Total</i>	\$292.32	\$8.79	\$9.00	\$6.79
E.I.S./V.E.I.S.				
Cross–Connect per DS3	\$2,524.51	\$75.93	\$76.00	\$58.72
– <i>DS3 Cross–Connection Cable & Cable Support</i>	\$2,007.31	\$60.37	\$60.40	\$46.68
– <i>Termination Equipment</i>	\$102.98	\$3.10	\$3.10	\$2.39
– <i>DS3 Cross–Connection Equipment</i>	\$414.20	\$12.46	\$12.50	\$9.63
– <i>Partition Total</i>	\$2,524.49	\$75.93	\$76.00	\$58.70

Note: BellSouth Rate Elements are in bold.
Partitioned Functions are italicized.

EXHIBIT 2

EXHIBIT 2

Documentation of TRP (Para. 22(b)(1))

The development of the costs for Expanded Interconnection Service (EIS) and Virtual Expanded Interconnection Service (VEIS) "functions" included on the Tariff Review Plan (TRP) charts is described below.

Overview

The TRP chart format is only applicable to investment related recurring costs. Recurring costs are the annual costs to BellSouth resulting from the capital investments necessary to provide a service. Recurring costs include the components of capital costs and non-capital (operating) costs. Capital costs include depreciation, cost of money, and income tax. Operating costs consist of maintenance expense, administrative expense and ad valorem and other taxes. These expenses contribute to the ongoing cost to the firm associated with the capital investment.

The TRP "functions" cost study was conducted for the central offices in which expanded interconnection for DS1 and DS3 services is proposed. These central offices were identified on a list submitted by BellSouth to the FCC and later supplemented by requests from interconnectors received through January 15, 1993.

Description of Procedures

The procedures for developing recurring costs as shown on the TRP charts are described below.

Step 1. Determine Physical Architecture

The first step in developing recurring costs was to determine the physical architecture of each TRP "function". The physical architectures which supported the EIS cost study (BellSouth Transmittal No. 92, dated February 16, 1993) and the VEIS cost study (BellSouth Transmittal No. 119, dated June 14, 1993) were partitioned into the appropriate TRP "functions".

Step 2. Accumulate Investments

Capital investments were accumulated per USOA field reporting code (FRC). Exhibit 2, Appendix A, Workpapers 2.1-1, 2.1-2, 2.1-3, 2.1E-1, 2.1E-2, 2.1E-3, 2.1A-1, 2.1A-2, 2.1A-3, 2.1B-1, 2.1B-2, 2.1B-3, 2.1D, 2.1C, and 2.1 contain the investment details. Based on these investments, annual capital and operating costs were determined.

Step 3. Calculate Costs

Incremental/directly assigned annual cost factors included in Exhibit 2, Appendix B were used to calculate the cost of capital, various taxes, ongoing maintenance and administration. By applying the directly assigned annual cost factors found in Exhibit 2, Appendix B against the investments found in Exhibit 2, Appendix A, recurring annual costs per USOA FRC were developed for the investment under study. The annual costs by FRC are shown on Exhibit 2, Appendix B, Workpapers 1-15.

Explanation of Annual Cost Factors (Para. 22(b)(1))

Incremental annual cost factors were used to determine the amount of recurring costs for one year associated with acquiring and using particular pieces of investment. Incremental annual cost factors are developed for each category of plant investment and represent a ratio of expense to investment for individual types of plant investment. When the dollar amount for a particular piece of investment is multiplied by the annual cost factor for that particular category of plant investment, the product reflects the annual recurring cost incurred by the company for that particular piece of investment.

There are basically two types of cost associated with investment: capital-related costs (depreciation, income tax, and cost of money) and operating-related costs (maintenance, administrative, and ad valorem/other taxes). The capital-related cost factors are developed using a computer model, which basically computes the annual capital costs by category of plant, then divides that amount by the investment in that category of plant. In calculating these capital-related costs, the computer model considers many various inputs, i.e., plant survivor characteristics, the cost of debt versus the cost of equity, the debt ratio, accelerated tax depreciation procedures, etc. The capital costs are levelized over the planning period. Levelization produces annual costs which are equal from year to year over